

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

In re application of:

Paul Chang et al.

Application No.: 09/215,421

Filed: December 18, 1998

For: TELECOMMUNICATIONS  
TRANSMISSION TEST SET

Examiner: W.C. Schultz

Art Unit: 2663

DISCLOSURE STATEMENT

Assistant Commissioner for Patents  
Washington, D.C. 20231

Sir:

The applicants wish to make of record certain activities of Sunrise Telecom, Inc. ("Sunrise"), the assignee of the present application, taking place more than one year prior to the filing date of the present application.

As detailed in the attached Declaration of Robert King, the invention was embodied in a product referred to as the SunSet® xDSL Test Set. The xDSL Test Set was discussed with representatives from a potential customer, Southwestern Bell Telephone Company ("SBC"). Based on the overall circumstances of the activities, the applicants respectfully submit that the subject invention was neither published, in public use nor on sale prior to the critical date.

As the filing date of the present application is December 18, 1998, the critical date is December 18, 1997.

PUBLICATION

The MPEP § 2128 generally describes what is a "publication."

In the present situation, there was no "publication" of the invention prior to the critical date. Mr. King's declaration sets forth that no press releases, product

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writeups, specifications, or product descriptions of the xDSL Test Set were published prior to the critical date.

#### PUBLIC USE

The MPEP § 2133.03(a) generally describes what is a “public use.”

In the present situation, there was no “public” use of the invention prior to the critical date. Mr. King’s declaration sets forth that the meeting with SBC was private. There was a business custom that any matters discussed in the meetings were to be considered confidential, proprietary, and nondisclosable. Mr. King believed that such business custom was in effect. Mr. King stated that he would not have met with the potential customers if he had believed that they did not also adhere to such business custom.

In the present situation, there was no public “use” of the invention prior to the critical date. Mr. King’s declaration sets forth that the prototype xDSL Test Set taken to the meeting could only perform certain functions. Mr. King stated that certain other functions were merely mocked-up simulations. Mr. King stated that the prototype xDSL Test Set did not include any modules. Such modules are features of the invention and are recited as elements in many of the claims of the present application.

#### ON SALE

The MPEP § 2133.03(b) generally describes what is “on sale” or is an “offer for sale.” Two recent cases give further guidance regarding what is an “offer for sale.” See Group One, Ltd. v. Hallmark Cards, Inc., 254 F.3d 1041 (Fed. Cir. 2001) (holding that an offer for sale must rise to the level of a commercial offer for sale that the other party could make into a binding contract by simple acceptance); and Linear Technology Corp. v. Micrel, Inc., 275 F.3d 1040 (Fed. Cir. 2001) (holding that an offer for sale must be more than preliminary negotiations that at most are designed to enable customers to submit offers to buy).

In the present situation, there was no “sale” of the product embodying the invention prior to the critical date. Mr. King’s declaration sets forth that no sales were

made to SBC. No purchase orders were signed, no xDSL Test Sets were left with the potential customers, and no consideration was exchanged.

In the present situation, there was no "offer to sell" the product embodying the invention prior to the critical date. Mr. King's declaration sets forth that no firm prices were discussed. No firm quantities were discussed. No firm delivery dates were discussed. Mr. King understood that SBC only purchases equipment by issuing a purchase order and the SBC would not accept or consider any offers from Sunrise. Mr. King did not invite SBC to make any offers. Mr. King states that even if SBC had made an offer to buy (which they did not), he would have been unable to accept the offer.

CONCLUSION

Accordingly, the level of commercial activities and the state of completion of the product embodying the invention fall short of publication of the invention under 35 U.S.C. § 102(a), or of placing the invention in public use or on sale within the meaning of 35 U.S.C. § 102(b), prior to the critical date.

Respectfully submitted,



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